

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1001 be amended to read as follows:

- 1 Page 39, between lines 35 and 36, begin a new paragraph and insert:
2 "SECTION 33. IC 6-1.1-17-1, AS AMENDED BY P.L.90-2002,
3 SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2004]: Sec. 1. (a) On or before August 1 of each year, the
5 county auditor shall send a certified statement, under the seal of the
6 board of county commissioners, to the fiscal officer of each political
7 subdivision of the county and the department of local government
8 finance. The statement ~~shall~~ **must** contain:
9 (1) information concerning the assessed valuation in the political
10 subdivision for the next calendar year;
11 (2) an estimate of the taxes to be distributed to the political
12 subdivision during the last six (6) months of the current calendar
13 year;
14 (3) the current assessed valuation as shown on the abstract of
15 charges;
16 (4) the average growth in assessed valuation in the political
17 subdivision over the preceding three (3) budget years, excluding
18 years in which a general reassessment occurs, determined
19 according to procedures established by the department of local
20 government finance;
21 **(5) the county auditor's determinations under IC 6-1.1-45-2;**
22 and
23 ~~(5)~~ **(6)** any other information at the disposal of the county auditor
24 that might affect the assessed value used in the budget adoption

1 process.

2 (b) The estimate of taxes to be distributed shall be based on:

3 (1) the abstract of taxes levied and collectible for the current
4 calendar year, less any taxes previously distributed for the
5 calendar year; and

6 (2) any other information at the disposal of the county auditor
7 which might affect the estimate.

8 (c) The fiscal officer of each political subdivision shall present the
9 county auditor's statement to the proper officers of the political
10 subdivision."

11 Page 76, between lines 32 and 33, begin a new paragraph and insert:
12 "SECTION 62. IC 6-1.1-45 IS ADDED TO THE INDIANA CODE
13 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
14 1, 2004]:

15 **Chapter 45. Township Tax Abatement Property Tax**
16 **Replacement Credit**

17 **Sec. 1. As used in this chapter, "assessed valuation subject to**
18 **tax abatement" means the sum of the following:**

19 (1) **The amount of deductions that are initially approved by**
20 **the appropriate designating body (as defined in**
21 **IC 6-1.1-12.1-1) under IC 6-1.1-12.1 after December 31,**
22 **2003.**

23 (2) **The deduction equivalent of the credits, as determined by**
24 **the department of local government finance, for which an**
25 **application is initially approved under IC 6-1.1-20.8-3 after**
26 **December 31, 2003.**

27 **Sec. 2. (a) Before August 1 of each year, the county auditor**
28 **shall determine for each township in the county the extent to**
29 **which the assessed valuation subject to tax abatement in the**
30 **township differs from the average amount of assessed valuation**
31 **subject to tax abatement in the county. The difference is the**
32 **amount determined under STEP SEVEN of the following formula:**

33 **STEP ONE: Determine the assessed valuation subject to tax**
34 **abatement in the township on the most recent assessment**
35 **date.**

36 **STEP TWO: Determine the sum of the STEP ONE amounts**
37 **for all townships in the county.**

38 **STEP THREE: Determine the assessed valuation subject to**
39 **taxation in the township on the most recent assessment date.**

40 **STEP FOUR: Determine the sum of STEP THREE amounts**
41 **for all townships in the county.**

42 **STEP FIVE: Determine the result of the STEP TWO amount**
43 **divided by the STEP FOUR amount.**

44 **STEP SIX: Multiply the STEP THREE amount for the**

township by the STEP FIVE amount.

STEP SEVEN: Determine the result of the STEP ONE amount minus the STEP SIX amount.

(b) On or before August 1 of each year, the county auditor shall certify the following to each township in the county and the department of local government finance:

(1) The amount of the difference determined under subsection (a).

(2) For each township in the county, a statement indicating whether the amount determined under subsection (a) for the township is a positive number, a negative number, or zero (0).

(3) The total assessed valuation subject to tax abatement in each township.

(4) If the amount determined under subsection (a) is:

(A) a positive number greater than zero (0), a statement that:

(i) the assessed valuation subject to tax abatement in the township is proportionally greater than the average assessed valuation subject to tax abatement in the townships in the county; and

(ii) taxpayers in the township are eligible for an additional property tax replacement credit under this chapter;

(B) a negative number that is less than zero (0), a statement that:

(i) the assessed valuation subject to tax abatement is proportionally less than the average assessed valuation subject to tax abatement in the townships in the county; and

(ii) the township is required to impose a property tax replacement credit levy under this chapter; or

(C) zero (0), a statement that:

(i) the assessed valuation subject to tax abatement in the township is proportionally the same as the average assessed valuation subject to tax abatement in the townships in the county; and

(ii) the credits granted by this chapter and the levies imposed by this chapter do not apply to the township.

Sec. 3. A taxpayer in a township in which the assessed valuation subject to tax abatement is proportionally greater than the average assessed valuation subject to tax abatement in the townships in the county is entitled to a credit against the

1 taxpayer's tax liability for township levies.

2 **Sec. 4.** The additional property tax replacement credit to which
3 a taxpayer is entitled under this chapter is the amount determined
4 under STEP NINE of the following formula:

5 **STEP ONE:** Determine the sum of the amounts that are
6 levied for the calendar year in the county under section 5 of
7 this chapter, as that levy was determined by the department
8 of local government finance in fixing the civil taxing unit's
9 budget, levy, and rate for the calendar year under
10 IC 6-1.1-17.

11 **STEP TWO:** Determine the assessed valuation subject to tax
12 abatement in the township on the most recent assessment
13 date.

14 **STEP THREE:** Determine the sum of the STEP ONE amounts
15 for all townships in the county for which the result in section
16 2(b) of this chapter is a number greater than zero (0).

17 **STEP FOUR:** Determine the result of the STEP TWO amount
18 divided by the STEP THREE amount.

19 **STEP FIVE:** Multiply the STEP ONE amount by the STEP
20 FOUR amount.

21 **STEP SIX:** Determine the sum of the levies being imposed
22 for the most recent assessment date by the township.

23 **STEP SEVEN:** Determine the taxpayer's tax liability for the
24 STEP SIX amount.

25 **STEP EIGHT:** Determine the result of the STEP SEVEN
26 amount divided by the STEP SIX amount.

27 **STEP NINE:** Multiply the STEP FIVE amount by the STEP
28 EIGHT amount.

29 **Sec. 5.** A property tax levy is imposed in a township in which
30 the assessed valuation subject to tax abatement is proportionally
31 less than the average assessed valuation subject to tax abatement
32 in the townships in the county.

33 **Sec. 6.** The amount of the levy is the amount of the levy
34 determined under STEP EIGHT of the following formula:

35 **STEP ONE:** Determine the absolute value of the amount
36 certified for the township under section 2(b) of this chapter
37 for the most recent assessment date.

38 **STEP TWO:** Determine the assessed valuation that is
39 actually subject to taxation in the township for the most
40 recent assessment date.

41 **STEP THREE:** Subtract the STEP ONE amount from the STEP
42 TWO amount.

43 **STEP FOUR:** Determine the amount of each levy being

1 imposed by the township.

2 STEP FIVE: For each township levy, compute the tax rate
3 that would be necessary to raise the levy amount determined
4 under STEP FOUR if the levy were raised using the assessed
5 valuation amount determined under STEP THREE.

6 STEP SIX: For each township levy, determine the levy that
7 would be raised using the assessed valuation determined
8 under STEP TWO and the tax rates determined under STEP
9 FIVE.

10 STEP SEVEN: For each township levy, subtract the STEP
11 FOUR amount from the STEP SIX amount.

12 STEP EIGHT: Determine the sum of the STEP SEVEN
13 amounts.

14 Sec. 7. The tax rate for the levy imposed by this chapter is the
15 tax rate necessary to raise the levy determined under section 6 of
16 this chapter using the assessed valuation that is actually subject
17 to taxation in the township.

18 Sec. 8. (a) The property tax levy limits imposed by
19 IC 6-1.1-18.5-3 do not apply to property taxes imposed under this
20 chapter.

21 (b) For purposes of computing the property tax levy limits
22 imposed on a civil taxing unit by IC 6-1.1-18.5-3, a property tax
23 levy for a calendar year does not include the part of the civil
24 taxing unit's levy that is levied under this chapter.

25 Sec. 9. The department of local government finance shall
26 certify under IC 6-1.1-17 the tax levies required under section 6
27 of this chapter and the tax rates required under section 7 of this
28 chapter. To comply with this section, the department of local
29 government finance may certify a tax levy that exceeds the
30 amount originally fixed by the township.

31 Sec. 10. Proceeds received under this chapter may not be
32 considered a levy excess under IC 6-1.1-18.5-17.

33 Sec. 11. A township tax abatement property tax replacement
34 credit account is established in the general fund of each county.
35 The county treasurer shall deposit the amount collected from a
36 levy imposed under this chapter in the township tax abatement
37 property tax replacement credit account.

38 Sec. 12. The amount in a township tax abatement property tax
39 replacement credit account may be used only to replace property
40 tax revenues lost as the result of granting additional property tax
41 replacement credits to taxpayers with property in townships in
42 which the assessed valuation subject to tax abatement is
43 proportionally greater than the average assessed valuation subject

1 to tax abatement in the townships in the county.

2 **Sec. 13. The money shall be distributed to the townships of the**
3 **county as though the money were property tax collections and in**
4 **such a manner that no township suffers a net revenue loss due to**
5 **the allowance of an increased property tax replacement credit.**
6 **However, if the money in the township tax abatement property tax**
7 **replacement credit account is insufficient to replace all the**
8 **revenue lost, the amount distributed to each township shall be**
9 **reduced in proportion to the relative assessed valuation subject to**
10 **taxation in each township that is eligible to receive a**
11 **distribution."**

12 Page 111, between lines 6 and 7, begin a new paragraph and insert:

13 **"SECTION 93. [EFFECTIVE JULY 1, 2004] IC 6-1.1-45, as added**
14 **by this act, applies only to property taxes first due and payable**
15 **after December 31, 2004."**

16 Re-number all SECTIONS consecutively.

(Reference is to HB 1001 as printed November 18, 2003.)

Representative Weinzapfel